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TAGS: [PREL](#) [PGOV](#) [PINR](#) [KDEM](#) [BK](#)
SUBJECT: BOSNIA: BACKGROUND AND SUGGESTED POINTS FOR SENIOR
PRAYER BREAKFAST INVITEES

REF: A. 09 SARAJEVO 549
[1](#)B. 09 SARAJEVO 1101
[1](#)C. 09 SARAJEVO 1434
[1](#)D. 09 SARAJEVO 1300
[1](#)E. 09 SARAJEVO 1111

Classified By: Charge Jonathan Moore for reasons 1.4 (b) and (d).

[1](#)1. (SBU) We understand that the list of Bosnian attendees at the prayer breakfast in Washington will include three senior government officials -- state-level PM Nikola Spiric, media mogul and new Bosniak party leader Fahrudin Radoncic, and Federation entity Prime Minister Mustafa Mujezinovic. We offer a thumbnail biography for each of these officials, as well as suggested themes for USG officials to raise if opportunities for interaction arise.

Spiric: The Spirit is Willing but the Flesh is Weak

[1](#)2. (S/NF) Nikola Spiric, Chairman of the BiH Council of Ministers and the de facto Prime Minister of BiH, belongs to the Party of Independent Social Democrats (SNSD), led by Republika Srpska (RS) Prime Minister Milorad Dodik. Spiric holds almost no influence over Dodik and frequently complains to us that he has no policymaking power. However, as one of the two most prominent Bosnian Serbs at the state level (the other is Serb Tri-Presidency member Nebojsa Radmanovic, also of SNSD), Spiric has taken several helpful steps in recent months. Last spring, Spiric worked constructively with us on accepting a fourth Algerian detainee from Guantanamo, whom France ultimately received, into Bosnia (Ref A). Then in September, Spiric -- amid strong encouragement from the Embassy and a phone call from EUR DAS Jones -- oversaw the adoption by the Council of Ministers (CoM) of a decision to issue entry visas to officials from Kosovo participating in Regional Cooperation Council (RCC) meetings (Ref B). Finally, Spiric on December 29 visited the BiH State Court and Prosecutor's Office and publicly pledged support and resources, in direct contrast to heightened rhetoric from Dodik on the illegitimacy of these institutions. Spiric, however, also made a point of stating his "personal view" that international secondees, whose mandate HighRep Inzko extended on December 14, are no longer needed in those institutions.

[1](#)3. (SBU) In any meeting with Spiric, we suggest that USG interlocutors emphasize our interest in dialogue with Bosnian Serbs as well as with the leaders of state institutions, not only party leaders. He should be thanked for the

constructive role he has played as PM and for his assistance on these key initiatives. Express concern about the increase in dangerous, anti-state rhetoric by Dodik, particularly his threat to hold a referendum on the HighRep's extension of secondees (Ref C) and possibly even the separation of the RS from BiH. Stress that the USG remains committed to Bosnia's two-entity structure and will not tolerate any threat to the country's territorial integrity. Note that Dodik's behavior ensures that the threat to the future of the RS comes not from Washington or Sarajevo, but from Banja Luka.

Radoncic: Seeking a New Face of Bosniak Politics

¶4. (C) Fahrudin Radoncic is the founder and owner of BiH's leading publishing company, Avaz Publishing, known especially for its production of the highest-circulation daily newspaper, Dnevni Avaz. Radoncic has been implicated in a corruption scandal involving the Federation Development Bank and has since waged a media attack through Avaz against the investigating police authorities. In September 2009, Radoncic formally initiated a new Bosniak political party, the Alliance for a Better Future of BiH (SBB-BiH), which plans to participate in the 2010 general elections. Although not a veteran politician himself, Radoncic has played an active role in politics for at least 10 years, with political candidates vying for his media support. Candidates his media outlets have endorsed generally have succeeded in elections. Many analysts speculate that his party will garner a fairly good result in 2010. Radoncic cultivates a wide array of ties, including with the head of Islamic Community in BiH,

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Reis Mustafa Cerić, on one side, and allegedly with drug and mafia criminals on the other side. Radoncic also has strong regional connections, particularly in Montenegro and Serbia.

¶5. (SBU) We suggest stressing with Radoncic the importance, even in the run-up to the elections planned for October 2010, of moving ahead with constitutional reform, meeting Bosnia's requirements for EU accession, and fulfilling the five objectives and two conditions for closing the Office of the High Representative (OHR). Further points would include confirming the USG's commitment to a unified Bosnia and convey our concern about the recent upswing in provocative ethnic rhetoric from political leaders. Interlocutors could underscore that Radoncic, as a powerful media figure and new party leader, has the responsibility to play a constructive role in both Bosniak and state-level politics in the months ahead.

Mujezinovic: Watching the Ship Sink

¶6. (C) Mustafa Mujezinovic, a member of Sulejman Tihic's Party of Democratic Action (SDA), has served as Prime Minister of BiH's Federation entity since June 2009. Mujezinovic is a former Advisor at the Federation Development Bank, which is under investigation for corruption. Although he is not wholly to blame, the Federation has continued on its downward spiral, both politically and economically, since Mujezinovic took office. The Federation Presidency has lagged since last summer on filling several key vacancies in the government, which have impeded progress on key economic development projects such as the 5C Corridor highway project (Ref D). The Federation, largely through unsustainable social programs including for war veterans, a relic of 2006 SDA campaign promises, has overextended spending. Economists assess that the Federation economy shrunk by an estimated three percent in 2009. In June, 2009, the BiH Government signed a Stand-By Arrangement with the IMF for \$1.6 billion. Although Mujezinovic has not emerged as a strong, unifying leader amid the deterioration of his entity, he has engaged on some issues of concern to the USG, including working with Dodik to try to resolve the dispute over the state-level electricity company, Transco (Ref E).

17. (SBU) We suggest focusing primarily on the Federation in any discussions with Mujezinovic. Although the Federation Presidency, not the PM's office, is responsible for resolving the distribution of governing positions, SDA's representatives are holding up the process. We could stress with Mujezinovic that although now is not the time to engage in large-scale Federation reforms, he should encourage his party colleagues to resolve this dispute as quickly as possible and respect HighRep decisions. We would advocate emphasizing the importance of the Federation continuing to make necessary reforms and cuts to meet IMF Stand-By Arrangement conditions. It makes sense to stress the need to resolve the political impasse thwarting progress on the 5C Corridor and to move forward on the privatization of state-owned enterprises. Finally, Mujezinovic needs to hear that failure to resolve fundamental questions of functionality only fuels Dodik's argument that the Federation is feckless and that the RS would function more effectively on its own.

MOORE